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ZNR UUUUU ZZH  
R 082025Z OCT 09  
FM AMEMBASSY MANAGUA  
TO RUEHC/SECSTATE WASHDC 4628  
INFO RUEATRS/DEPT OF TREASURY WASHINGTON DC  
RUEHZA/WHA CENTRAL AMERICAN COLLECTIVE

UNCLAS MANAGUA 000976

STATE FOR WHA/CEN, EB/IFD/OIA, AND L/CID  
STATE ALSO FOR WHA/EPSC  
STATE PASS TO USTR  
TREASURY FOR INL AND OWH

SIPDIS

E.O. 12958: N/A  
TAGS: [EINV](#) [ECON](#) [USTR](#) [KIDE](#) [NU](#)  
SUBJECT: NICARAGUA: AMCIT PROPERTY CLAIMS MONTHLY UPDATE: SEPTEMBER  
2009

REF: 01 MANAGUA 4134

SUMMARY

1. In September 2009, the Government of Nicaragua (GON) reported the resolution of five Embassy registered property claims. Three claimants also withdrew a total of six claims from the Embassy's database. To date, the overwhelming majority of resolutions have involved compensation via government-issued indemnification bonds ("bonos de pago de indemnizacion" or BPIs). As of September 30, 2009, the GON had issued BPIs with a face value of \$359,823,109 to Embassy-registered claimants. Since taking office in January 2007, the Ortega administration has resolved 101 claims, six during the 2009-2010 waiver year.

EMBASSY REGISTERED CLAIMS RESOLVED IN SEPTEMBER

2. On September 24, 2009, the Attorney General's Office provided the Embassy a copy of the final settlement document or "finiquito" signed by the family of Octavio Bustamante on September 9, 2009. The heirs of Mr. Bustamante received BPIs worth 945,000 cordobas, approximately \$45,899, to settle one claim. We have updated our database to reflect this settlement. Mr. Bustamante's claim had been previously dismissed under Decree 38 (1979), which authorized the GON to confiscate property belonging to the allies of the Somoza family.

Claimant	Type of Claim	No. of Claims	Type of Resolution
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Octavio Bustamante	Vessel	1	bonds
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3. On September 24, 2009, the Attorney General's Office provided the Embassy a copy of the finiquito signed by U.S. citizen Agnes Montoya on September 18, 2009. Mrs. Montoya received BPIs worth 1,131,200 cordobas, approximately \$54,943, to settle two claims. We have updated our database to reflect this settlement. Mrs. Montoya's claims had been previously dismissed under Decree 38 (1979), which authorized the GON to confiscate property belonging to the allies of the Somoza family.

Claimant	Type of Claim	No. of Claims	Type of Resolution
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Agnes Montoya	Houses	2	bonds
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4. On September 24, 2009, the Attorney General's Office provided the Embassy a copy of the finiquito signed by U.S. citizen Socorro Sanchez on August 3, 2009. Mrs. Sanchez received BPIs worth 270,000

cordobas, approximately \$13,114, to settle one claim. We have updated our database to reflect this settlement. Mrs. Sanchez's claim had been previously dismissed under Decree 38 (1979), which authorized the GON to confiscate property belonging to the allies of the Somoza family.

Claimant -----	Type of Claim -----	No. of Claims -----	Type of Resolution -----
Socorro Sanchez	House	1	bonds

15. On September 4, the Attorney General's Office provided the Embassy a copy of the finiquito signed by U.S. citizen Miguel Vanegas on September 1, 2009. Mr. Vanegas received BPIS worth 1,380,600 cordobas, approximately \$67,056, to settle one claim. We have updated our database to reflect this settlement. The Consular Section revoked the U.S. nonimmigrant visa of the occupant of Mr. Vanegas' property, Francisco Lacayo Carajon (reftel), under Section 2225 of the Foreign Affairs Reform and Restructuring Act of 1998.

Claimant -----	Type of Claim -----	No. of Claims -----	Type of Resolution -----
Miguel Vanegas	House	1	bonds

#### WITHDRAWN CLAIMS

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16. On September 24, 2009, U.S. citizen Paul Henry Gulke asked the Property Office to withdraw one claim from the list of Section 527 claims kept by the Embassy Property Office. Mr. Gulke withdrew the claim for stocks in a company known as CAISA because his shares were never confiscated.

17. On September 28, U.S. citizen Julio Montealegre asked the Property Office to withdraw four claims from the list of Section 527 claims kept by the Property Office. Mr. Montealegre withdrew three claims because the debt attached to the properties was higher than the compensation offered by the GON. The fourth claim was withdrawn because it was never filed with the National Confiscations Review Commission.

18. On August 20, Jairo Poveda, legal representative of U.S. citizen claimant Jose Poveda, asked the Property Office to withdraw one claim from the list of Section 527 claims kept by the Property Office. Mr. Jose Poveda acknowledged that he did not own the property.

#### STATUS OF AMCIT PROPERTY AS OF 09/30/09

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15. The following is a snapshot of current U.S. citizen property claims. The Embassy maintains separate databases for claims registered before and after the July 31, 2005 deadline in the Consolidated Appropriations Act.

EMBASSY-REGISTERED CLAIMS -----	NUMBER -----
Total Amcits with pending claims	272
Total Amcit claims pending resolution (113 fall under Section 527)	563
Total Amcits registered with the Embassy Prior to July 31, 2005 (269 fall under Section 527)	1,137
Total Amcit claims resolved (421 fall under Section 527)	2,610

EMBASSY-REGISTERED CLAIMS BY CALENDAR YEAR	NUMBER
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Claims resolved calendar year 2009	44
Claims resolved calendar year 2008	47
Claims resolved calendar year 2007	10
Claims resolved calendar year 2006	81
Claims resolved calendar year 2005	126
Claims resolved calendar year 2004	218
Claims resolved calendar year 2003	243
Claims resolved calendar year 2002	125
Claims resolved calendar year 2001	175
Claims resolved calendar year 2000	70

EMBASSY-REGISTERED CLAIMS RESOLVED BY WAIVER YEAR NUMBER	
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Registered claims resolved so far in 2009-10 (waiver year: July 29, 2009 - July 28, 2010)	6
Registered claims resolved 2008-09 waiver year	48
Registered claims resolved 2007-08 waiver year	42
Registered claims resolved 2006-07 waiver year	34
Registered claims resolved 2005-06 waiver year	86
Registered claims resolved 2004-05 waiver year	187
Registered claims resolved 2003-04 waiver year	214
Registered claims resolved 2002-03 waiver year	183
Registered claims resolved 2001-02 waiver year	160
Registered claims resolved 2000-01 waiver year	142
Registered claims resolved 1999-00 waiver year	77
Registered claims resolved 1998-99 waiver year	156
Registered claims resolved 1997-98 waiver year	204
Registered claims resolved 1996-97 waiver year	145

EMBASSY-REGISTERED CLAIMS UNDER GON CONTROL	NUMBER
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Total Amcit properties under GON control (subject to revision)	51
GON-held claims resolved 2008-09 waiver year	3
GON-held claims resolved 2007-08 waiver year	1
GON-held claims resolved 2006-07 waiver year	0
GON-held claims resolved 2005-06 waiver year	3
GON-held claims resolved 2004-05 waiver year	16
GON-held claims resolved 2003-04 waiver year	12
GON-held claims resolved 2002-03 waiver year	11
GON-held claims resolved 2001-02 waiver year	26

GON-held claims resolved 2000-01 waiver year	2
GON-held claims resolved 1999-00 waiver year	2
GON-held claims resolved 1998-99 waiver year	5
GON-held claims resolved 1997-98 waiver year	29
GON-held claims resolved (total)	177

CLAIMS DISMISSED BY GON -----	NUMBER -----
SEPTEMBER 2009	6
MARCH 2008	68
FEBRUARY 2008	15
JANUARY 2008	28
NOVEMBER 2007	18
TOTAL	135

DISMISSED CLAIMS LATER RESOLVED IN FAVOR OF U.S. CLAIMANT -----	NUMBER -----
MARCH 2009            1	
APRIL 2009           5	
MAY 2009             4	
JUNE 2009	2
JULY 2009            4	
AUGUST 2009          1	
SEPTEMBER 2009	4

OTHER CATEGORIES TRACKED -----	NUMBER -----
DECISION AGAINST U.S. CLAIMANT IN COURT (CLAIM WITHDRAWN BY AMCIT)	9
CLAIMS WITHDRAWN BY AMCITS (PROPERTY UNDER AMCIT CONTROL)	2

CLAIMS WITHDRAWN BY AMCITS FOR LACK OF SUPPORTING DOCUMENTS	4
CLAIMS WITHDRAWN BY AMCITS            6 (CLAIMANT STOPPED PURSUING CLAIM)	
TOTAL CLAIMS RESOLVED BY LAND SWAPS	7
TOTAL CLAIMS COMPENSATED VIA BONDS (face value of bonds \$359.8 million)	1,942

NON-REGISTERED RESOLUTIONS BY WAIVER YEAR -----	NUMBER -----
Non-registered resolutions 2009-10 waiver year	0
Non-registered resolutions 2008-09 waiver year	1
Non-registered resolutions 2007-08 waiver year	6
Non-registered resolutions 2006-07 waiver year	12

Non-registered resolutions 2005-06 waiver year	30
Non-registered resolutions 2004-05 waiver year	0
Non-registered resolutions 2003-04 waiver year	6
Non-registered resolutions 2002-03 waiver year	22
Non-registered resolutions 2001-02 waiver year	93
Non-registered resolutions 2000-01 waiver year	300
Non-registered resolutions 1999-00 waiver year	455
Non-registered resolutions 1998-99 waiver year	310
Non-registered resolutions 1997-98 waiver year	230
Non-registered resolutions 1996-97 waiver year	208
Total Non-registered resolutions	2,027

TOTAL REGISTERED & NON-REGISTERED RESOLUTIONS

Total number of Amcit claims resolved	4,637
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NON-WAIVER CLAIMS REGISTERED AFTER JULY 31, 2005

	NUMBER
Total Amcit claimants registered with Embassy	16
Total Amcit claims pending resolution	22

NON-WAIVER CLAIMS RESOLVED BY CALENDAR YEAR

	NUMBER
Claims resolved in calendar year 2009	1
Claims resolved in calendar year 2008	1

CALLAHAN